## STATE OF ALASKA

## DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

DIVISION OF ADMINISTRATIVE SERVICES

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TO: See Distribution

FROM: Stephanie Church, Finance Officer

DATE: July 20, 2009

Subject: SFY10 State Active Duty (SAD) Minimum Pay Rate

The following is provided for your information and future planning.

In accordance with AS 26.05.260, the State Active Duty Pay minimum daily rate is calculated each state fiscal year immediately following the U.S. Department of Labor's publishing of the Consumer Price Index (CPI) for Anchorage in July. The following formula is used.

The annual CPI percentage increase for the past SFY (July 08-June 09) is reached by adding the percentage increase for period of Jul-Dec 08 to the increase for Jan-June 09.

Increase amount = CPI percentage increase for period SAD Daily Rate (\$124.35) plus increase amount

The following is the calculation for SFY10:

CPI percentage increase Jul-Dec 08: CPI 187.7 (Jan-Jun 08) divided by CPI 191.3 (Jul-Dec 08) = .98% or 1% (rounded)

CPI percentage increase Jan-Jun 09: CPI 191.3 (Jul-Dec 08) divided by CPI 190 (Jan-Jun 09) = 1%

Total percentage increase July 08- June 09 = 2%\$124.35 (SFY09 Minimum SAD Pay Rate) x 2% = 2.49SFY09 minimum rate (\$124.35) + SFY10 increase amount (\$2.49) = \$126.84 (SFY10 Minimum SAD Rate)

This new Rate is effective August 1, 2009 and shall remain unchanged for SFY10. If you have any questions please feel free to contact me at 465-4736

Distribution:

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